

EXHIBIT BB



SECURITIES INVESTOR PROTECTION CORPORATION



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STATEMENT OF SECURITIES INVESTOR PROTECTION CORPORATION PRESIDENT MICHAEL E. DON

June 22, 2001 - On the Release of the General Accounting Office (GAO) Report "Securities Investor Protection: Steps Needed to Better Disclose SIPC Policies to Investors"

"We welcome the new report from the General Accounting Office, which has reached many of the same conclusions that the Securities Investor Protection Corporation (SIPC) did last year when we embarked on a large-scale upgrade of our investor education services. Contrary to some published reports, the GAO report does not find any significant deficiencies on the part of SIPC and I encourage fair-minded individuals to read the report for themselves in order to get an accurate grasp of what the GAO actually concluded.

As to what the GAO recommends, I am pleased to report that SIPC already has:

- Simplified and expanded our basic brochure for investors, "How SIPC Protects You," which last month replaced the brochure referenced in the GAO report. In particular, the new brochure, which was released in May 2001, addresses directly the point of how investors should document unauthorized trading claims in order to protect their interests, a primary point raised in the GAO report. Another key point in the GAO report, spelling out the consequences for small investors of dealing with brokers unaffiliated with SIPC, also is discussed in the new brochure. The brochure may be viewed online by reporters at www.hastingsgroup.com/newsipc.pdf.
- Overhauled the SIPC Web site to facilitate liquidation claims filing and to better explain the extent and limitations of SIPC coverage. Due to be unveiled to the public next month, the new SIPC Web site includes a step-by-step online claims fill-out process that explains each step of the filing process in plain English. The Web site SIPC will unveil in July also includes on the homepage such key topics as "What SIPC Covers" and "What It Does Not" and "Why SIPC is NOT the FDIC." The new Web site directly addresses the GAO's points both in regard to making it easier for investors to file liquidation claims and also in terms of avoiding confusion between SIPC and the Federal Deposit Insurance Corporation (FDIC).
- In order to get the word out to more investors, SIPC also committed last year to embark on wide-ranging investor education outreach activities on an ongoing basis. In August, SIPC will join a major investor organization to release a national opinion survey showing exactly what investors do and do not know about key issues, including points raised by the GAO. This will be the first step in a campaign to get the facts directly to those individuals who most need to understand how SIPC operates. Future steps in this campaign will include public service announcements (PSAs) and other innovative mass outreach techniques. In short, SIPC already has made the decision to do what it can to reach out to and inform as many people as possible. These voluntary steps on our behalf in the public's interest go well beyond anything that the GAO recommended in terms of upgrading our investor education efforts.

As to the question of U.S. Securities and Exchange Commission (SEC) oversight of SIPC, we pride ourselves on the fact that the SEC has never found a significant problem of any kind in how SIPC operates. Additional oversight and review of our operations by the SEC is not only something that we welcome but are 100 percent committed to facilitate in whatever way is most productive for the Commission in the interest of America's investors.

There is nothing in the GAO report that in any way tarnishes SIPC's outstanding track record of help for the investors of America. From its creation by Congress in 1970 through December 2000, SIPC advanced \$391 million in order to make possible the recovery of \$3.8 billion in assets for an estimated 443,000 investors. We estimate that more than 99 percent of eligible investors have been made whole in the failed brokerage firm cases that SIPC has handled to date.

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